GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3849
ANSWERED ON:19.12.2006
PRICE STABILISATION TRUST FUND .
Jindal Shri Naveen

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any proposal to set up a Price Stabilisation Trust Fund(PSTF) for the plantation sector ;

(b) if so, the details thereof ;

(c) the time by which PSTF is likely to be set up;

(d) the financial assistance proposed to be given to the small growers from the Fund;

(e) whether the fund will safeguard the growers from price fluctuations; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) to (f) : A Price Stabilisation Fund Trust has been set up in 2003 for small growers of Coffee, Tea, Rubber and Tobacco. The objective of the Scheme is to provide relief to these growers when the prices of these commodities fall below a specified level. Under the Scheme, financial assistance is provided as follows:

Sl. No.	Category of Year	Deposit by PSF Trust-	Deposit by Member-grower
1	Boom	0	Rs.1000/-
2	Normal	Rs.500/-	Rs.500/-
3	Distress	Rs.1000/-	0

Boom year is when average domestic price exceeds moving average international price for 7 years by 20%. Normal year is when average domestic price is within +/- 20% of moving average international price for 7 years. Distress year is when average domestic price is below 20% of moving average international price for 7 years. However, the Government has decided to review scheme to make it more effective.